

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE FOR JANUARY – JUNE 2013

WHEREAS, on January 24, 2012, the Council of the City of San José (“City”) affirmed its decision that the City serve as the Successor Agency to the former Redevelopment Agency of the City of San José (“Agency”); and

WHEREAS, on February 1, 2012, the Agency was dissolved pursuant to AB X1 26, and the Successor Agency is now charged with winding down operations and overseeing the dissolution process in an orderly manner; and

WHEREAS, one of the provisions of AB X1 26 is Section 34177(j) of the Health and Safety Code, which requires the Successor Agency to prepare an administrative budget for each six-month period, and submit it to its Oversight Board for approval; and

WHEREAS, due to insufficient redevelopment tax increment revenues the San José Successor Agency will have no revenue to pay for administrative costs in 2012-2013 and into the foreseeable future, as such, City staff recommends that these costs be advanced by the City pursuant to the Reimbursement Agreement approved by the City Council and Successor Agency Board on June 26, 2012 and the Oversight Board on June 28, 2012.

WHEREAS, staff has prepared an administrative budget for January 1 – June 30, 2013. The proposed administrative budget is attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The Administrative Budget of the Successor Agency for the period January 1 – June 30, 2013, attached hereto, which sets forth Successor Agency personnel and non-personal costs, and City Support Services, is hereby approved, and will be presented to the Oversight Board for approval.

ADOPTED this ____ day of _____, 2012, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

CHUCK REED
Mayor

ATTEST:

DENNIS D. HAWKINS, CMC
City Clerk

EXHIBIT A

SARA Administrative Budget January – June 2013

Administration of Operation	Payee	Description of Work	Source/Payment 34177 (I)(1)(A-E) *	Total
Successor Agency personnel	Personnel Staff	Personnel costs for operations	City of San Jose General Fund Transfer	494,010
SJRA - unemployment benefits	EDD	Ongoing Unemployment benefits of former staff	CSJ General Fund Transfer	30,000
Successor Agency operations	Value Business Products	Office supplies/equipment on an as-needed basis	CSJ General Fund Transfer	300
Successor Agency operations	AT&T Mobility	Monthly cell phone usage - SARA employees	CSJ General Fund Transfer	1,300
Successor Agency operations	City of San José	SARA phone bill	CSJ General Fund Transfer	1,200
Successor Agency operations	Pitney Bowes Global Financial	Lease of postage meter machine	CSJ General Fund Transfer	2,392
Successor Agency operations	Ricoh	Monthly lease and usage of copiers	CSJ General Fund Transfer	4,200
Successor Agency operations	Misc Vendors	Meeting and office equipment maintenance expenses	CSJ General Fund Transfer	750
Successor Agency operations	CDW-Government, Inc.	Computer/printer supplies on an as-needed basis	CSJ General Fund Transfer	300
Successor Agency financial system	Systems Management, Inc.	JD Edwards Technical Support Services**	CSJ General Fund Transfer	1,500
Successor Agency operations	Chang, Ruthenberg & Long PC	Legal Services - Employee Benefits**	CSJ General Fund Transfer	600
Successor Agency operations	Jones Hall	Legal services on an as-needed basis**	CSJ General Fund Transfer	10,000
Successor Agency operations	TBD - Outside Counsel	Oversight Board legal services**	CSJ General Fund Transfer	10,000
Annual financial audit	Macias, Gini & O'Connell, LLP	Financial Audit Services	CSJ General Fund Transfer	30,250
Due Diligence Review	BPM	Audit services required by AB1484 to complete new "due diligence review" requirements.	CSJ General Fund Transfer	75,000
Successor Agency employee benefit plan	EFLEXGROUP, Inc.	Flexible spending account administration-employee benefit	CSJ General Fund Transfer	300
Successor Agency operations	ADP, Inc.	Services associated with SARA payroll processing	CSJ General Fund Transfer	4,020
Successor Agency retirement plans	Standard Retirement Services, Inc.	Investment administration services	CSJ General Fund Transfer	2,000
Successor Agency retirement plans	Stancorp Investment Advisers, Inc.	Investment services	CSJ General Fund Transfer	8,000
Successor Agency employee benefit plan	Lee Hecht Harrison LLC	Transition Employment Services**	CSJ General Fund Transfer	2,000
Successor Agency operations	Oracle America, Inc.	JD Edwards Financial Software Update License & Support	CSJ General Fund Transfer	18,334
Successor Agency operations	Progent Corporation	Information technology network system assessment in connection with IT environment **	CSJ General Fund Transfer	1,000

Successor Agency operations	Ross Financial	On-going financial advisor services **	CSJ General Fund Transfer	5,000
City Support Services	City of San José	City staff costs (legal, clerk, financial, housing, oversight)	CSJ General Fund Transfer	526,000
City Hall Lease	City of San José	Leased space-14th Floor Tower	CSJ General Fund Transfer	50,000
ADMINISTRATION BUDGET JANUARY - JUNE 2013				1,278,456
* The source of funding for these services is intended to be the Redevelopment Property Tax Trust Fund, however, due to projected insufficient tax increment to cover obligations, it is recommended that the City's General Fund provide support.				
** Contracted services on an as-needed basis				
				1,278,456
				1,202,802
				75,654
				1,211,702
				66,754
				0